**Motivation and Staff Retention**

What is motivation and what are the two methods a business can use to motivate its staff?

Give examples of financial methods of motivation:

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Give examples of non-financial methods of motivation:

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What are the advantages and disadvantages to the business of using financial methods?

What are the advantages and disadvantages to the employee of financial methods?

What are the advantages and disadvantages to the business of non-financial methods?

What are the advantages and disadvantages to the employee of non-financial methods?

What is an autocratic management style?

Advantages:

Disadvantages:

What is a democratic management style?

Advantages:

Disadvantages:

What is a paternalistic management style?

Advantages:

Disadvantages:

Which methods of motivation do you think will fit in with each management style?

How do you calculate staff turnover?

Give 6 ways in which a business can retain its staff:

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Explain 2 things that a business might have in place to stop employees leaving (4 marks)

1.

2.

Midlands Timber Ltd is a company that manufactures high quality garden furniture. The business sells its products through garden centres. Midlands Timber Ltd is considering selling directly to the public using the internet. Customers would be able to buy the products at lower prices on the internet than buying the same items at a garden centre. Several of Midlands Timber Ltd ’s key employees have left the business to find work elsewhere. Often employees leave because they feel that the company does not pay them high enough wages for the skills that they have. The company is

investigating ways to ensure that its remaining employees do not leave.

Midlands Timber Ltd ’s managers want to reduce the number of employees who leave the business to go and work elsewhere. They are considering two ways of achieving this:

 ● increasing wages so that they are much higher than those paid in other similar businesses

 ● giving a loyalty bonus of £5000 to employees who stay with the business for five years

 What action do you think Midlands Timber Ltd should take? Use Item B to justify your answer. (9 marks)